

AN ORDINANCE

01-0 -1340

BY COMMUNITY DEVELOPMENT/HUMAN RESOURCES COMMITTEE

AN ORDINANCE TO CREATE THE CITY SIDE LOFTS HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

WHEREAS, an amendment to the Constitution of the State of Georgia was adopted by referendum in November 1982 giving the Council of the City of Atlanta power to create urban enterprise zones in the City of Atlanta; and

WHEREAS, enabling legislation known as the Atlanta/Fulton County Urban Enterprise Zone Act was enacted by the Georgia General Assembly and signed by the Governor in March 1983 and subsequently amended; and

WHEREAS, the Atlanta/Fulton County Urban Enterprise Zone Act gives the Council of the City of Atlanta authority to designate areas within the City as urban enterprise zones for housing purposes if certain conditions are met; and

WHEREAS, designation of a Housing Enterprise Zone exempts the taxable value of property within the zone only from ad valorem taxes for City purposes, but the Board of Commissioners of Fulton County, by appropriate resolution, may exempt from ad valorem taxation for County purposes the taxable value of the same property exempted by the City; and

WHEREAS, types of property may be exempted, conditions must be met by owners of private property to qualify for an exemption, period and rate of exemptions, and elections may be made by the Atlanta City Council among various types of exemptions which are specified by State law; and

WHEREAS, State law provides that an exemption from ad valorem taxation for City purposes also includes, but is not limited to, school and educational purposes; and

WHEREAS, the City of Atlanta Development Impact Fee Ordinance provides that, under certain conditions, the City may exempt development in urban enterprise zones from the requirement to pay development impact fees; and

WHEREAS, it is the expressed intent of the Atlanta City Council to use urban enterprise zone legislation as an incentive to generate private investment in areas of the City which otherwise might not attract such investments for housing construction and job creation purposes; and

WHEREAS, the conditions and qualifications of the Atlanta Urban Enterprise Zone Act, as amended, have been met relative to the creation of The City Side Lofts Housing Enterprise Zone;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS:

Section 1: It is found by the Council of the City of Atlanta that the area in and around the Richardson Street area, location of the City Side Lofts Housing Enterprise Zone is economically and socially depressed. It is further found that areas such as this contribute to or cause unemployment, create an inordinate demand for public services and, in general, have a deleterious effect on the public health, safety, welfare and morals. It is further found that these areas, as is the case with the Richardson Street area are characterized by no investment or under-investment by private enterprise in ventures which produce jobs, trade, provision of services, and economic activities which individually and together contribute to a healthy society. This lack of private investment and activity contributes to social and economic depression in such areas. Therefore, it is in the public interest that incentives be provided to private enterprise to invest in such areas, and that such private enterprise place priority upon the employment of those residents in those economically and socially depressed areas designated herein as urban enterprise zones.

Section 2: The City Side Lofts Housing Enterprise Zone is hereby created. The effective date of all exemptions established therein shall be January 1, 2002. The City Side Lofts Housing Enterprise Zone shall be expired on December 31, 2011. The City Side Lofts Housing Enterprise Zone shall otherwise not be abolished except as provided in State law. A legal description of The City Side Lofts Housing Enterprise Zone is attached

hereto as "Exhibit A", and made a part hereof, and shall be on file in the Bureau of Planning and the Office of the Municipal Clerk.

Section 3: Twenty percent (20%) of the total units to be provided, and ten percent (10%) of the units in each housing type and bedroom composition, shall be within the ability to pay of those households whose annual income does not exceed sixty percent (60%) of the median family income for the Atlanta metropolitan statistical area as most recently published by the United States Department of Housing and Urban Development (HUD), and as adjusted for household size in accordance with HUD procedures. For said units, the property owner shall verify each tenant's household income at the time that said tenant initially executes a lease agreement. Furthermore, the property owner, by January 31 of each year, shall submit a report to the Commissioner of Planning, Development, and Neighborhood Conservation, indicating the household income of each tenant who executed a lease agreement during the previous calendar year.

Section 4: The Municipal Clerk is hereby directed to transmit a copy of this Ordinance as well as the legal description of The City Side Lofts Housing Enterprise Zone to the Tax Commissioner of Fulton County, to the Commissioner of the Department of Community Affairs of the State of Georgia, and to the Superintendent of the Atlanta Board of Education immediately upon approval by the Mayor of the City of Atlanta.

Section 5: That all ordinances and parts of ordinances in conflict herewith are hereby repealed.

Exhibit A

Proposed City Side Lofts
Housing Enterprise Zone

Legal Description

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 76 of the 14th District, Fulton County and being more particularly described as follows:

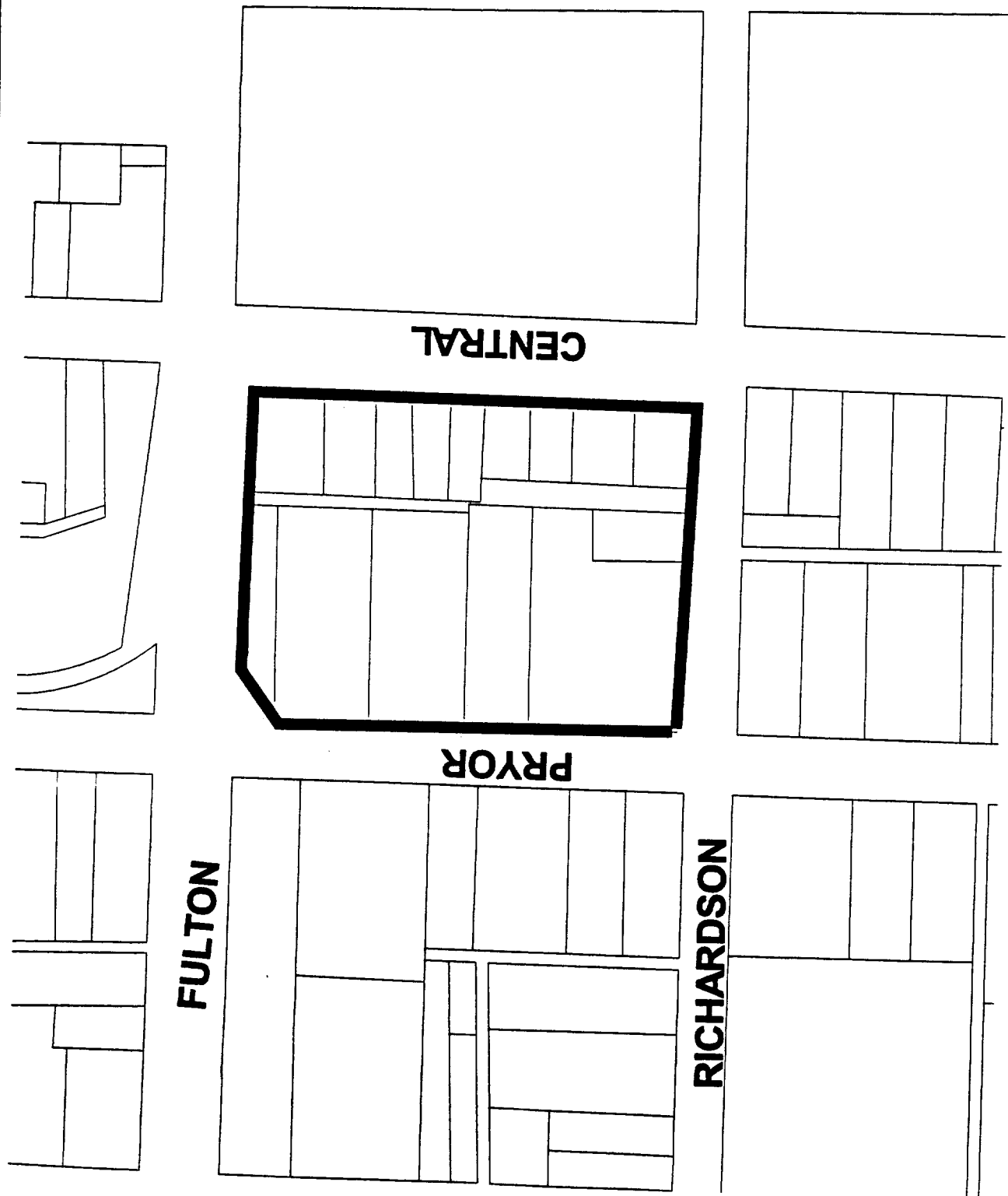
BEGINNING at an iron pin set at the intersection of the western right-of-way line of Central Avenue (right-of-way varies) and the northern right-of-way line of Richardson Street (right-of-way varies); thence running along the northern right-of-way line of Richardson Street South 88 degrees 49 minutes 51 seconds West a distance of 271.87 feet to an iron pin found; thence leaving said right-of-way line and running along the eastern right-of-way line of Pryor Street (right-of-way varies) North 00 degrees 52 minutes 46 seconds West a distance of 340.15 feet to a brass disc in the sidewalk; thence leaving said right-of-way line and running North 56 degrees 34 minutes 43 seconds East a distance of 43.88 feet to a point; thence running along the southern right-of-way line of Fulton Street (right-of-way varies) North 89 degrees 19 minutes 21 seconds East a distance of 129.62 feet to a concrete monument found; thence continuing along the southern right-of-way of Fulton Street and running North 89 degrees 30 minutes 21 seconds East a distance of 104.90 feet to a concrete monument found; thence leaving said right-of-way and running along the western right-of-way of Central Avenue (right-of-way varies) South 00 degrees 56 minutes 21 seconds East a distance of 361.20 feet to the POINT OF BEGINNING.

SAID LAND consisting of 2.2517 acres of land and being more particularly shown on that certain ALTA/ACSM Land Title Survey prepared by Travis Pruitt & Associates, Inc. bearing the seal and certification of Travis N. Pruitt, Sr., Georgia Registered Land Surveyor No. 1729, dated April 20, 2000, last revised June 1, 2000.

Exhibit B
Project Location Map

Proposed City Side Lofts
Housing Enterprise Zone

Npu-v-streets
Npu-v-parcels



CITY SIDE LOFTS

Exhibit C
Acknowledgement Letter



Proposed City Side Lofts
Housing Enterprise Zone

CITY OF ATLANTA

DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION
68 MITCHELL STREET, S.W. SUITE 3350 • ATLANTA, GEORGIA 30335-0308
404-330-6145 • FAX: 404-658-7491

BILL CAMPBELL
MAYOR

MICHAEL A. DOBBINS
Commissioner

TIM POLK
Deputy Commissioner

ROBERT C. GRAY
Director

Bureau of Planning

July 3, 2001

Ronald Eason
Pryor Street Development, LLC
P.O. Box 671656
Marietta, GA 30006-0028

Dear Mr. Eason:

We have received your application for designation of 502 Pryor Street as a Housing Enterprise Zone. Our staff is currently reviewing the application with regard to the City's criteria for urban enterprise zone designation.

We have scheduled a presentation of the application to Neighborhood Planning Unit V on Monday, August 16, 2001 at 7:00 p.m. at the Capitol Area Mosaic, located at 364 Kelly Street, SE. The chair of NPU - V is Sharon Collins, who may be reached at (404) 577-5119. Please be present at the NPU - V meeting to briefly present your proposal and to answer any questions regarding your application.

Additionally, the Community Development and Human Resources Committee of the Atlanta City Council will hold a public hearing on your application on Tuesday, September 25, 2001 at 6:00 p.m. in the Council Chambers at City Hall. Please be present at the hearing to briefly present your proposal and to answer any questions regarding this application.

Should you require any further information, please contact Sara Wade Hicks at (404) 330-6728 or Valerie Bell-Smith at (404) 330-6899.

Sincerely,

Robert Gray
Robert Gray

cc: Michael Dobbins, Commissioner
Tim Polk, Deputy Commissioner
Sara Wade Hicks, Assistant Director
Racquel Clement, NPU - V Planner

RG/vbs

EVALUATION OF PROPOSED CITY SIDE LOFTS HOUSING ENTERPRISE ZONE

Criterion	Required	Proposed	Compliance
1. Eligibility Criteria a. Evidence of Pervasive Poverty a. Unemployment c. General Distress (High Crime or Vacant/Abandoned Buildings) d. Underdevelopment	Area must meet 3 out of 4 Criteria a. Poverty rate of $\geq 20\%$ b. Census tract job loss $\geq 10\%$ of State Average <u>4.0</u> c. High Crime or Vacant/Abandoned Buildings d. Lack of development activity $< 20\%$ for NPU as compared to the city as a whole	a. Poverty rate of $\geq 20\%$ for CT 55.01 BG 1 b. 6.1% d. -11% Non-Residential Building Permits for NPU-V	√
2. Acreage	NONE	2.25 acres	√
3. CDP Consistency	Low-Density Commercial F.A.R. = 0.0 - 3.0	High Density Residential F.A.R. = 1.03	TBD
4. Zoning Compliance	C-2	C-2	√
5. Project Specificity	Project Specific Zone or $> 50\%$ of Areawide Zone	Project Specific Zone	√
6. Project Readiness	$\geq 30\%$ of Units to be Initiated in Year 1	30% in first year	√
7. Non-Displacement	Minimum Displacement	None	√
8. Affordability (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	20% of total units and 10% of each housing type is affordable to households whose income does not exceed 60% of the median for the Atlanta MSA (low income). 20% must bear monthly rents $\leq 30\%$ of low-income level, adjusted by family size. 20% must bear purchase prices $\leq \$146,300$ or 2.2 median income for the Atlanta MSA.	33% of all units will be reserved for low/moderate-income residents with the sale prices of $< \$125,000$ Project Sale Price Range: \$98,900 - \$195,900	√
9. Provision for Atlanta police officers and their families (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	5% of available units to be offered to Atlanta police officers and their families at purchase prices or monthly rents which do not exceed the low-income level of affordability	Proposes to comply	√
10. Financial Feasibility	<u>sales</u> - affordable units $\geq 20\%$ of total without exemption, or <u>rental</u> (cumulative basis over the 1 st five years) - a. negative cash flow, or b. debt coverage ratio < 1.20 , or c. a variable-ratio DCR equivalent to said fixed-rate ratio, based upon reasonable assumptions as certified		TBD

Exhibit D Evaluation Checklist

Proposed City Side Lofts
Housing Enterprise Zone

Exhibit E

2001 HUD Income Limits/Affordability

FAMILY SIZE (% OF BASE)	INCOME ADJUSTMENT	LIVING ACOMODATIONS EXPENSES (<30%)	MAXIMUM RENTS
1 PERSON (70%)	\$27,930.00	\$8,379	\$698
2 PERSON (80%)	\$31,920.00	\$9,576	\$798
3 PERSON (90%)	\$35,910.00	\$10,773	\$898
4 PERSONS - BASE	\$39,900.00	\$11,970	\$998
5 PERSONS (108%)	\$43,092.00	\$12,928	\$1,077
6 PERSONS (116%)	\$46,284.00	\$13,885	\$1,157
7 PERSONS (124%)	\$49,476.00	\$14,843	\$1,237
8 PERSONS (132%)	\$52,668.00	\$15,800	\$1,317
Maximum Sales Price \$146,300 (2.2 Rule / 2.2 times the Median Income)			
ASSUMPTIONS: Median Income \$66,500 - SMSA Rent Range is Determined by the Number of Rooms Per Unit and the Atlanta Housing Code Maximum Allowable Persons per Room - 2; A Two-Bedroom Apartment Unit Could Not House More Than a Four Person Household.			

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

(For review & distribution to Executive Management)

Commissioner Signature

Michael Debn
Department of Planning

Director Signature

Robert Gray
Bureau of Planning

From: Department of Planning, Development
Neighborhood Conservation

Contact: Robert Gray

Committee(s) of Purview: Community Development / Human Resources

Committee Meeting Date (s) 9/12 CD, 9/25 Public Hearing
9/26 CD

Committee Deadline 8/31

City Council Meeting Date 9/17 & 10/1

CAPTION:

AN ORDINANCE TO CREATE THE CITY SIDE LOFTS HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

Pryor Street Development, LLC, seeks to develop 100-newly constructed, for-sale, loft type one-bedroom condominium units. The proposed development is to be located in Neighborhood Planning Unit – V, Council District 2, the Mechanicsville neighborhood. All of the units are one- and two-bedrooms. Total development cost is estimated to be \$11 million.

FINANCIAL IMPACT (if any):

The Department of Finance is conducting a fiscal impact analysis for the proposed zone.

Mayor's Staff Only

Received by Mayor's Office:

8/29/01
Date

Reviewed:

g
Initials

Date

Submitted to Council

Date

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended
☐ Substitute ☐ Referred ☐ Other